

assistance or Supplemental Security Income. Claims for approved cases are forwarded to the Fiscal Agents for payment.

The Buy-In Unit is responsible for buying-in for the Part B Medicare Premium for appropriate Medicare/Medicaid-eligible recipients.

- iv. The Provider Enrollment Unit is responsible for the processing of applications for enrollment as a provider and issuing agreements with independent clinics, transportation carriers, medical suppliers, hearing aid dealers, opticians, prosthetists, orthotists, hospitals, special hospitals, home health agencies, long term care facilities, medical day care facilities and new provider groups such as personal care attendants. The Unit also works closely with Prudential in the enrollment of large practitioner groups, shared health care facilities, special licensure and the evaluation of problems in this area.

Tasks associated with the processing of these applications and agreements include updating applications, ascertaining viability of agreements, assuring that the proper licenses and certifications are in order, and assuring proper program compliance with the State Plan and the Federal Department of Health and Human Services regulations.

## 5. Office of Eligibility Policy

The Office of Eligibility Policy is responsible for the interpretation, promulgation and dissemination of eligibility policy and procedures (including rules and regulations) concerning Title XIX (Medicaid). The functions of this Unit include development of state regulations for all Medicaid programs which are administered by the county welfare agencies, preparation and issuance of policy and procedural communications, and maintenance of eligibility manuals and procedural guides. The Unit also analyzes federal and state legislation, regulations and policies, assists in the resolution of policy and procedural issues raised by Division staff, providers, county welfare agencies, recipients, etc., and consults (with Division staff) on matters involving hearings on eligibility determinations. The Unit also participates in operational audits involving the eligibility process.

## C. Office of Medical Care Administration

This Office consists of the Quality Assurance Coordinator, Institutional Services Section, seventeen Medicaid District Offices (MDOs), three of which also serve as Regional Offices and the Office of Home Care Programs.

The District Offices are the focal point for community interaction between the Division and Medicaid providers and clients. These offices inform and guide providers on Program policies and procedures through the use of Program Manual Bulletins, Circular Letters and Newsletters, including such areas as: coverage of services, the billing and reimbursement mechanisms, quality assurance and the prior authorization of services. Assistance is rendered to providers relative to recipient eligibility problems and retroactive eligibility problems and the authorization and payment of unpaid claims.

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These offices also assist Medicaid clients by answering questions concerning services provided under the program and aiding them in finding participating providers. MDOs also notify the proper units, such as Surveillance, on over-utilization and abuse cases.

The state is divided into three regions each headed by a Regional Director who is responsible for all Medicaid District Offices in that region. Each District Office is headed by a District Office Director and is comprised of social workers, nurses, physicians, pharmacists, EPSDT specialists, and clerical support staff. The MDO offers clerical support for the long term care (LTC) facility procedures including maintenance of files on each LTC patient, notification of nurses and social workers of assessments and reassessments to be scheduled, correspondence and follow-up for authorizations, denials, eligibility determinations, patient financial records, terminations, transfers to hospitals, admissions and readmissions. The MDO Directors meet with the Office of Program Integrity Administration, and participating long term care (LTC) facility administrators, both individually and in groups, to advise them on proper administrative procedures and billing programs.

Social workers assigned to the MDOs are involved in assessment, authorization and appropriate placement of Medicaid-eligible persons currently residing in the community into long term care facilities and their transfer from one facility to another; the provision of ombudsman services to Medicaid patients in long term care facilities to ensure that their social needs are being met; and the assessment and authorization of home health services and medical day care services. Additionally, the social workers carry out the periodic medical review of all Medicaid certified long term care facilities, reassess patients in the areas of social services, patient activities, patient rights with particular emphasis upon the monitoring of personal needs allowances. Other responsibilities include investigating complaints in social care areas and representing the Division in the fair hearing process. Staff maintain ongoing working relationships with numerous community agencies, specifically county welfare agencies, local offices on aging, home health agencies, and state organizations such as the Department of Health, the Office of the Ombudsman for the Institutionalized Elderly and the Department of the Public Advocate as they carry out their advocacy role on behalf of the Medicaid-eligible population.

The nursing staff consists of Regional Staff Nurses who participate with Division physicians, social workers and pharmacists in the periodic medical reviews of long term care facilities. Other functions include off-hour visits to long term care facilities for the purpose of monitoring the quality of care during hours other than the day shift and/or week days and involvement in monitoring bed certification in LTCFs.

The pharmaceutical staff assures that eligible recipients in the Medicaid and PAAD Programs receive those drugs, medical supplies, medical equipment and hearing aids which have been prescribed for them. They also review provider applications and make appropriate recommendations. Other functions include assurance of compliance with pharmacy standards in the long term care program and participation in LTC periodic medical reviews, when necessary.

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Child health services provided include the Early and Periodic Screening, Diagnosis and Treatment (EPSDT) Program, including implementation and evaluation of parameters of adequate care; expansion and implementation of provider and recipient education programs in preventive health; liaison with other government agencies in preventive health care; and the planning, development, and implementation of the federal child health initiatives.

The physician staff services include visits to participating practitioner's offices to explain the program, upgrade quality of care, and problem resolution. Additionally, the physicians make the authorization decision on long term care, home health care, medical day care, rehabilitation services, transportation, prosthetics and orthotics, medical supplies and equipment, certain drugs and out-of-state hospital care.

Nursing and social work staff, formerly with the Bureau of Mental Health Services, are now part of the District Offices and conduct inspections of care on an annual basis on all Medicaid patients in state psychiatric hospitals, county psychiatric hospitals, private psychiatric hospitals, Intermediate Care Facilities for the Mentally Retarded (ICF's/MR), mental health centers (free-standing and hospital-based) and in residential treatment facilities. These reviews are called Period Medical Reviews (PMR) in the psychiatric facilities and Independent Professional Reviews (IPR) in ICFs/MR. In the latter there is a utilization review done twice a year to determine the appropriateness of the patient's stay.

The MDO physicians, nurses and social workers also evaluate requests for services under the Home and Community Based Waiver, the Model Waiver and under the Personal Care Program.

## 1. Quality Assurance Coordinator

The Quality Assurance Coordinator is responsible for monitoring a complex system of quality assurance review of approximately 300 health care facilities for compliance with federal quality of care standards. The coordinator oversees facility evaluations and monitors the adequacy of health and services to Medicaid patients who reside in these facilities. The coordinator also acts as liaison with the Office of the Ombudsman for Institutionalized Elderly, the New Jersey Department of Health, and other Divisions within the Department of Human Services.

2. The Institutional Services Section (ISS) is functionally responsible for the determination of Medicaid eligibility for individuals residing in state psychiatric hospitals under the Division of Mental Health and Hospitals, certain county psychiatric hospitals, and all the developmental centers under the Division of Developmental Disabilities. In addition, ISS is responsible for determining Medicaid eligibility for individuals being referred to the Division of Developmental Disabilities' Community Care Waiver. The Quality Assurance Coordinator receives complaints registered by the public and Division staff regarding care rendered to Medicaid patients in long term care facilities (LTCFs). The Coordinator assures that the complaint is thoroughly investigated and that appropriate action is taken. Referrals are also made, when

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appropriate, to other state agencies, such as the New Jersey Department of Health and the Office of the Ombudsman for the Elderly.

3. Regional Directors - There are three Regional Directors who supervise the 17 Medicaid District Offices (MDOs). The functions of the MDOs are described above.
4. The Office of Home Care Programs is administratively responsible for carrying out the Community Care Waiver for the Elderly and Disabled; the DMAHS portion of the DDD Community Care Waiver, other Medicaid Model Waivers, the AFDC Homemaker/Home Health Aide Demonstration Project; the Medical Day Care Program and for the design and development of other new community-based programs as assigned.

## D. Office of the Medical Director

The Office of the Medical Director is responsible for the provision, development and supervision of the medical and professional aspects of care to recipients served by the Title XIX, MAA and PAAD Programs. The Medical Director is also responsible for providing to the Director and Deputy Director consultation in matters relating to medical - professional care policy making function and professional - technical advice. Additional responsibilities and functions include: interaction with the provision of professional and medical consultation and technical advice to other divisional staff as well as professional and medical consultation to providers of medical care services; prior authorization of special medical services; direction and evaluation of periodic medical reviews, medical quality of care studies (MCE), utilization of reviews, medical necessity determinations; interaction with the Professional Review Organization; maintenance of a professional liaison with other governmental and non-governmental agencies; interaction and a professional relationship with medical and health related professional groups. Other responsibilities include: advising the Division in the selection of physicians and other professionals; assisting in the development of standards and periodic review policies relating to long term care facilities; directing and assisting in the development of pertinent information to all providers, recipients and staff; reviewing the quality of medical care provided by practitioners and institutions; and, the providing of direction to the professional services components of the various disciplines within the Program.

### 1. Director of Office of Prepaid Health Care

The Office of Prepaid Health Care (OPHC) is responsible for the provision, development and supervision of improved, medically case managed health care, on a prepaid capitation basis for covered Medicaid services to Medicaid- eligible persons in New Jersey. OPHC is also responsible for providing to the Director and Deputy Director consultation in medical - professional care policy-making functions and professional technical advice in matters relating to Prepaid Health Care (PHC). Additional responsibilities and functions include: interaction with, and the provision of, professional and medical consultation in technical advice to other Division staff as well as to providers of medical care services; development, operation and maintenance of a Medical Quality Assurance System which includes ambulatory practice guideline monitoring, sentinel health events monitoring, grievance

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resolution, surveys, peer review of aberrant cases and patterns; medical necessity determinations; maintenance of claims and capitation adjudication; enrollment processing and on-line data entry of eligible persons; marketing to providers and recipients; professional liaison with other government and non-government agencies; interaction and a professional relationship with medical and health related groups. Other responsibilities: directing and assisting in the development of pertinent information to all providers, recipients and staff; reviewing the quality of medical care provided by practitioners; establishing, continuing and maintaining an active public relations with all interacting individuals and/or groups.

2. Chief Nursing Consultant

This individual is responsible for participation in the development, direction, implementation, and evaluation of the nursing aspects of the New Jersey Medicaid Program. He/she provides consultation, policy interpretation, and training assistance to the Division on the whole, and maintains a professional liaison between the professional nursing staff and all of the other components of the Division. This person also assists in the development of standards, policies and procedures relating to the need for nursing care for eligible recipients in the Medicaid Program. This person also performs additional tasks related to nursing and long term care such as commenting on legislation, responding to the correspondence as assigned by the Director and Medical Director.

3. Chief Pharmacy Consultant

This individual is responsible for provision of pharmaceutical consultation to the Division and other state agencies, such as the Division of Criminal Justice, providers and recipients; establishment of reasonable reimbursement schedules for pharmacy, medical equipment and hearing aid providers; maintenance of relationships and liaison with professional organizations; assistance in the monitoring of program services for abuse by providers and recipients; and interpretation of historical data to affect cost savings where possible.

A Pharmacy Consultant II performs special duties under the direction of this office.

4. Chief Child Health Consultant

This individual provides Child Health Consultation for the professional components of the State's Medicaid Child Health Program to and for the Division; coordinates the Title XIX Family Planning (FP) and Early and Periodic Screening, Diagnosis and Treatment (EPSDT) Programs.

Functions relative to the EPSDT and FP Programs include formulation and implementation of ongoing monitoring and evaluation procedures, maintaining county welfare agency EPSDT and FP support activities for Medicaid eligibles, and development and implementation of standards for these activities.

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5. Chief Social Work Consultant

This individual is responsible for Central Office consultation as it relates to the Social Service aspects of the periodic medical review/independent professional review process in facilities for long term care, medical day care, mental health and the developmentally disabled. The consultant is also responsible for case consultation to Medicaid staff providers and clients, for resource and program development, for training of staff and providers for problem solving, and for complaint investigation and preparation of letters concerning client services. The consultant is responsible for coordination with other Divisions and Departments concerning social service programs for evaluation of services and programs as they impact on clients and Medicaid; for policy and procedure development in social care areas; for legislation and rules review and for comment in areas affecting social care.

The Social Work Consultant II serves as a direct assistant.

6. Audiology Consultant

This individual reviews selected requests for prior authorization, conducts training sessions, and assists in developing program policies and procedures, including reimbursement methodology.

7. Chief Mental Health Consultant

This individual is responsible for all the professional aspects of the Program as it relates to mental health services including the services of psychiatrists, psychologists, mental health clinics, general hospitals (both inpatient psychiatric units and outpatient services) and specialized hospitals (private psychiatric hospitals and rehabilitation hospitals). Prior authorization disposition, where applicable, is also a responsibility of the Chief Mental Health Consultant or his assistant. Also, the Chief Mental Health Consultant or his assistant serves as the psychiatrist member of Inspection of Care Periodic Medical Review Team that performs reviews in psychiatric hospitals (institutions for mental diseases).

8. Chief Consultant - Vision Care

This individual is responsible for the professional aspects of the following functions: prior authorization requests for vision care services, optical appliances including vision training, contact lenses, subnormal vision devices; the provision of vision care consultation to the Division and other state agencies including the Division of Criminal Justice, Division of Public Welfare, Prudential Medicaid and Medicare Units; the establishment of reasonable reimbursement schedules for optical appliances, maintenance of relationships and liaison with professional organizations and provisions of professional assistance in the monitoring of program services; the provision of assistance in the determination of abuses by providers and recipients; the provision for

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effective cost savings where possible; and the processing of all optical claims for the Division of Public Welfare.

9. Chief Podiatric Consultant

This individual is in charge of Podiatry and is responsible for the establishment and overview of Podiatric policies that will provide the best care for Medicaid recipients. He/she responds as consultant to the Fiscal Agent in adjudication of claims in the Podiatric areas.

10. Laboratory Consultant

This individual is responsible for the professional component of the independent laboratory clinical services in the Division and other state and federal agencies, such as the Division of Criminal Justice, Public Welfare, and HCFA, to providers and recipients; is responsible for the establishment of a reasonable reimbursement schedule for laboratory services; maintains a relationship with Fiscal Agents, Prudential and Blue Cross, by assisting in adjudicating ambiguous or disputed claims; maintains liaison with Program Integrity by assisting in the monitoring of program services for abuse by providers and recipients; is responsible for the interpretation of historical data to effect cost savings, where possible; reviews, investigates, advises and recommends suggested or proposed lab program modifications from any source; keeps abreast of all federal guidelines and regulations pertinent to the independent laboratory field for non-institutionalized laboratory services and for laboratory services performed in outpatient hospital settings. The laboratory consultant is included with the Office of Medical Director.

11. Chief Medical Consultant

This individual is responsible for assuring that covered services as utilized effectively and efficiently and in the appropriate setting. Responsibilities include professional consultation in the periodic medical review process of long term care patients; professional consultation in determination of need for prior authorized services such as certain pharmaceutical products, medical supplies, medical equipment, rehabilitation services, prosthetic and orthotic devices, and other services. This Consultant stays abreast with and updates the procedure coding system, provides professional consultation to the Fiscal Agents, and in the absence of the Medical Director, functions as the Acting Medical Director.

12. Chief, Bureau of Dental Services

The centralized Bureau of Dental Services is responsible for the establishment of dental policies and procedures that will assure that eligible Medicaid recipients receive necessary services of high quality that are in accordance with all state and federal regulations and that will maintain fiscal integrity.

The multiple functions of the Bureau include: prior authorization requests; monitoring fraud and abuse by providers and recipients; quality

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control that involves review of X-rays, patient records, and clinical examination of patients; utilization review; consultative services to recipients, providers to this Division, to the Department, and other Divisions therein; other state agencies, including Criminal Justice, and liaison with professional organizations and the dental community. In addition, the Bureau reviews the delivery of dental services in all of the various settings, to include home, long term care, inpatient and outpatient hospital and provider's office(s). In addition, the Bureau reviews new dental procedures as to appropriateness and fiscal impact.

## E. Office of Administrative and Fiscal Affairs

The Office of Administrative and Fiscal Affairs is responsible for the administrative support services that the Division requires to function effectively. These functions include budget preparation, monitoring and control; other fiscal functions required to process payments of bills, payroll, etc.; personnel; Employee Relations; training; general services and statistical reports; payments of long term care facilities, psychiatric hospitals, intermediate care facilities for the retarded, and rate reimbursement and planning. In addition, this office is administratively responsible for the Pharmaceutical Assistance to the Aged and Disabled (PAAD) Program.

### 1. Bureau of Claims and Accounts

The main function is the processing of payments to long term care facility providers, state and county psychiatric hospitals, and intermediate care facilities for the mentally retarded for services to Medicaid patients. This is an extremely complex function involving numerous units within the Division and other departments within State Government as well as the providers. The average monthly population of Medicaid nursing home patients is 22,000. The Bureau receives authorizations and budgets for long term care patients from Medicaid District Offices and county welfare agencies. The Bureau receives rates of reimbursement for the various levels of care from the Division of Health Planning and Resources Development in the Department of Health and the Department of Human Services' Office of Finance. Finally, the Bureau receives computerized billing from the providers themselves. All of this is audited and verified before payment is generated. Included in this process are payments resulting from retroactive eligibility determination of Medicaid patients and payments resulting from changes in the level of reimbursement retroactive to the beginning of the year.

The Bureau maintains an on-line terminal for the Eligibility File and provides information to other state and county agencies relative to Medicaid eligibility.

The Bureau participates in all fair hearings relative to long term care providers' and patients' billings appeals.

The Bureau coordinates the transfer of monies from the State Treasurer to the Fiscal Agents and reconciles balances between the Division and Central Office.

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## 2. Bureau of Health Statistics and Economics

The Bureau of Health Statistics and Economics is responsible for the preparation and submission of federal and Division statistical reports and for statistical support of other units within the Division and Department. It also responds to numerous requests from public and private agencies for data on programs administered by the Division.

Statistical reports involve (1) expenditures, eligibles and recipients by type of service and eligibility category, (2) data pertinent to monitoring of PROs and (3) quality control findings and analysis.

Bureau staff actively participate in budget analyses and forecasts. In addition to analyzing costs of ongoing programs, the Bureau prepares costs estimates for proposed new programs and program changes.

Bureau staff provide technical consulting and research services in such areas as quality control sampling, nursing home rate setting, nursing home and pharmacy audits, and recovery calculations.

## 3. Bureau of Planning and Management

The Bureau of Planning and Management is divided into the following functional areas.

The Nursing Home Reimbursement Unit is responsible for nursing home rate review, analysis of appeals and recommendation of administrative action, technical assistance on nursing home reimbursement policy making, technical assistance on regulation preparation and state plan amendments, and liaison with the Department of Health, the nursing home industry, and the Federal Government. In addition, the Unit performs the function of final per diem rate determinations after an audit is completed. This includes calculation of audited rate and determination of any overpayment liability for all long term care facilities which have been audited. The Unit is also responsible for all medical day care rate determinations.

The Hospital Reimbursement Unit is responsible for hospital rate review, DRG Program implementation, technical assistance on hospital reimbursement policy making, development of hospital cost containment initiatives, utilization review, professional review organization relations, review and analysis of federal regulations, monitoring of Department of Health rate setting, and liaison with the Department of Health, hospital industry, and the Federal Government.

The Fiscal Operations Unit includes the federal financial reporting function, budget review, preparation, and analysis, and fiscal monitoring of Division spending. The federal financial reporting function includes preparation of the quarterly estimate of Medicaid expenditures, and the annual estimate of Medicaid expenditures. The budget preparation, review, and analysis function includes the coordination of the budget preparation for the Division, preparation of the annual spending plan, preparation of the mid-year analysis, and liaison with Office of Management and Budget, Department of Human Services related to these

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areas. The fiscal monitoring function includes review, monitoring, and approval of all administrative expenditures.

## 4. Bureau of Pharmaceutical Assistance to the Aged and Disabled

The Bureau of Pharmaceutical Assistance to the Aged and Disabled is responsible for the management of the Pharmaceutical Assistance to the Aged and Disabled (PAAD) Program created by Chapter 194, P.L. 1975 and amended by Chapter 268, P.L. 1977 and Chapter 499, P.L. 1981. This is a 100 percent state funded program which pays the cost of prescription drugs less a \$2.00 co-pay for eligible New Jersey residents.

The Procedures, Development and Correspondence Unit receives and answers direct correspondence between the Department, Division, and the public.

The Eligibility Unit processes, determines, and redetermines eligibility for PAAD beneficiaries.

The Insurance Recipient Unit initiates recovery procedures from insurance companies and from beneficiaries for both correctly and incorrectly paid benefits.

The Operational Services Unit is the section that is responsible for administration and management of PAAD.

The Investigations and Data Processing Unit is responsible for fraud investigation of beneficiaries.

## 5. Bureau of Administrative Support Services

This Bureau is responsible for the personnel, general services, space allocation, maintenance, security, central files and staff training functions.

The Personnel/Payroll Unit involves all personnel support services to the Division and Division staff. This includes the processing of necessary forms for health benefits coverage and all employment, transfer, and separation actions of Division staff maintaining all time-keeping records necessary for payroll processing; submission of regular and supplemental payroll processing; submission of regular and supplemental payroll and distribution of paychecks; maintains all PAR records; coordination of Service Awards Program; processing all new position or title requests; reclassifying existing positions; recruitment of new staff; advising management on personnel policy matters; providing consultation on all personnel activities to Division staff, and participation in orientation of new staff.

The Support Services Unit consists of two sections:

The General Services Section is responsible for mail delivery, acquisition and distribution of stationery and office supplies, postage, forms and equipment. This Unit also handles all facets of inventory control, building maintenance, space allocation, security,

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